NSC 26863
LIB 37/1

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION

MEMORANDUM FOR DR. KISSINGER   March 18, 1971

FROM: Harold H. Saunders

SUBJECT: F-5 Aircraft for Libya

One of the issues that has been hanging around for a long time may
come to a point of decision in the next month. I believe the decision
is self-evident, but I do want to acquaint you with the issue.

Prior to the Nixon Administration and prior to the Libyan coup, the
US had entered into a contract selling a small number of F-5 aircraft
to Libya. Ten were delivered long ago and eight remain to be delivered
under the contract. Delivery of the final eight has been withheld
because of the political situation in Libya and the present government's
position toward the Arab-Israeli conflict. Also, the rationale for our
involving ourselves with the Libyan air force--our retention of Wheelus
airbase--ended with our departure from Wheelus.

I personally cannot conceive how we could defend sending any combat
aircraft to Libya under the present circumstances. Therefore, I see
it as a foregone conclusion that we will not go through with this contract.

Ambassador Palmer, however, will be back here on consultation next
month, attempting to persuade Secretary Rogers to go ahead with the sale.
His rationale is that we need to maintain some line to this Libyan govern-
ment.

My answer to that is that this Libyan government is not going to like us
no matter what we do.

I assume you agree.

        Yes ____HK____   No _____

MAR 30 1971

File this memo

March 19, 1971

HAK:

I sympathize with Hal's view
but (1) the F-5's can't do any
significant harm in the Arab-
Israel contest, (2) if we don't
sell them the French or the
Russians will and (3) there may
be a way we could use them to
loosen up the aid talks (and
here we have a real economic
interest).

Obviously there would be domestic
criticism unless a good aid
settlement emerges.

RTK

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